



# Brownfields Cleanup Revolving Loan Fund Pilot

## *Philadelphia, PA*

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

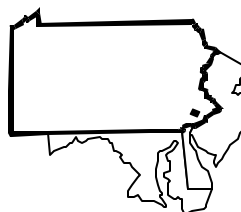
### BACKGROUND

Much of the land area in Philadelphia has been developed for commercial, residential, or industrial purposes. Demographic statistics and designation as a federal Empowerment Zone demonstrate that Philadelphia is also a distressed community. The city's per capita income is lower than the national average, while the poverty and unemployment rates are both considerably higher. While the number of jobs in the city stood at 350,000 just after World War II, by 1992 that number had fallen to approximately 72,400. Many former manufacturing plants are now abandoned and their sites await redevelopment. Buyers are hesitant to invest in these properties because of the potential environmental contamination and the perceived risks, liabilities, and cost associated with contaminated sites.

### BCRLF OBJECTIVES

The goal of the Philadelphia BCRLF Pilot program is to assist in the conversion, expansion, and redevelopment of abandoned, idle, or underused industrial properties. The loans will be targeted for projects in distressed areas and designated urban renewal areas in the city (e.g., American Street,

### PILOT SNAPSHOT



Philadelphia, PA

Date of Award:  
September 1997

Amount: \$350,000

BCRLF Target Area :  
Brownfields in Philadelphia's  
distressed neighborhoods.

#### Contacts:

Philadelphia City  
Planning Commission  
(215) 686-2945

Regional Brownfields Team  
U.S. EPA - Region 3  
(215) 814-3129

Visit the EPA Region 3 Brownfields web site at:  
<http://www.epa.gov/reg3hwmd/brownfld/hmpage1.htm>

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:  
<http://www.epa.gov/brownfields/>

Hunting Park West, Port Enterprise Zone, West Parkside). The city plans to foster business growth that increases city revenue, and job growth that provides living wages.

## FUNDSTRUCTUREANDOPERATIONS

The city's Commerce Department, with the assistance of the Planning Commission, will serve as Lead Agency for the BCRLF Pilot. The Philadelphia Industrial Development Corporation/Philadelphia Authority for Industrial Development (PIDC/PAID) will help the city implement the BCRLF as Fund Manager.

Philadelphia expects that the funds will be applied to cleanup projects in the \$100,000 to \$200,000 range. BCRLF loans would account for approximately one-third of each project's funding. The balance of the project funds would come from the borrower, the city's capital budget, or the Commonwealth of Pennsylvania. In following this formula, the city is confident that a minimum of three parcels can be cleaned up. The loans will be repaid with interest over a period of five to seven years, or as a result of the direct sale of the affected property.

## LEVERAGINGOTHERRESOURCES

PIDC/PAID will leverage the BCRLF funds with city capital and commonwealth funds to clean up and redevelop brownfields. The city expects a minimum of a "one-to-one" local match (in city and commonwealth funds), as well as borrower contribution to the projects. Other federal funds and non-profit resources may also be available to supplement project funding.

---

*Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.*

---